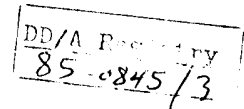


CONFIDENTIAL

D/Pers 85-1734



JUN 6 1985

MEMORANDUM FOR: Executive Director

VIA: Deputy Director for Administration
ComptrollerFROM: Robert W. Magee
Director of Personnel

40 - /

SUBJECT: Position Average Grade and Deferred Allocations

REFERENCE: Memo to ExDir fm DDS&T, dtd 15 May 1985,
Subject: Same

1. The attached memo from the Deputy Director for Science and Technology (DDS&T) suggests that instead of tightening our belt to accommodate to an inadequate Agency position average grade, we aggressively seek Office of Management and Budget (OMB) approval of a more appropriate average grade. I fully agree.

25X1

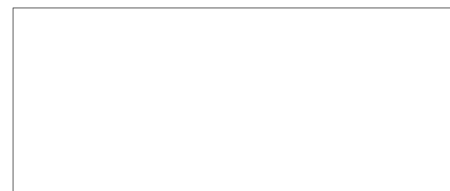
2. As an Agency, we currently have a requirement for a position average grade of 10.96 just to eliminate deferred allocations now on the books. Our requested average grade in the FY86 budget is only 10.95, and most of that increase will be needed to implement new position allocations. Based on Position Management and Compensation Division (PMCD) projections, the Agency needs a position average grade of 11.05 for FY86 to eliminate current deferred allocations throughout the Agency; to convert Office of Communications (OC) positions to the grade banding system; to implement FY86 new position requirements; and to carry on the PMCD Position Management Survey Program. Attachment A shows the impact of each of these individual factors on average grade. If we are successful in obtaining an average grade of 11.05, I believe we will be able to effectively manage our position resources over the next several years while we continue to develop and implement an alternative pay system for the Agency.

25X1

3. In the past, the Comptroller has been hamstrung in his ability to aggressively pursue our needs because the backup budget material submitted by components has not supported their requirements. Over the past year, both the Comptroller and the Office of Personnel (OP) have been actively engaged in an education process to improve participation in the budget process, and place us in a better position to go forward with budget submissions which will meet our requirements in this area. Improved budget submissions from components should provide the supporting material we may need to meet any challenge from OMB on our increase in position average grade.

25X1

25X1



SUBJECT: Position Average Grade and Deferred Allocations

4. More specifically, with respect to the recommendations made in paragraph 2 of the referent memorandum, negative headroom (the subject of recommendation A) is not a problem. With the increase in Agency average grade from 10.81 to 10.90 this year, there are sufficient points available to assure that no Directorate will remain in a negative headroom situation. Similarly, I would hope that the FY87 budget would in fact reflect accurate position grade requirements as suggested in recommendation C. However, recommendation B., that the Directorates be allocated sufficient points in FY86 to eliminate all deferred allocations, is possible only if the Agency opts to aggressively pursue its average grade requirements with OMB. As I said above, I believe this is the course we should take and I have attached a suggested letter (Attachment B) to OMB advising them that we are increasing our position average grade to accommodate current and projected requirements. (U)

Robert W. Magee

Robert W. Magee

Attachments

25X1 PMCD/C&CPB/ [] (24 May 1985)

DISTRIBUTION:

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1 - ER (w/atts)
2 - DDA (w/atts)
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Agency Average Grade Requirements

25X1

Current Position Average Grade

Authorized Average Grade for FY85

Average Grade Required to Eliminate all Deferreds

25X1

Increase Required to Implement New Positions (FY86)
(Projected 500 new positions @ average grade)

Increase Required by OC Banding Experiment

Projected PMCD Survey Requirements (FY85)

Total Required Average Grade

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Mr. Arnold E. Donahue
Chief, Intelligence Branch
Office of Management and Budget
Washington, D.C. 20503

This is to inform you that we are increasing the Agency's position average grade from its current 10.90 to 11.05 for fiscal year 1986.

We are making this change in order to respond to organizational needs to increase the number of positions at the full-performance level. A second but less significant reason for the increase in position average grade is simply the statistical result of converting positions included in the Office of Communications grade banding experiment from the General Schedule. The block of positions included in the grade banding experiment are below the average grade of the Agency. Thus when these positions are removed from the General Schedule (GS) and placed on the new Telecommunications TC Schedule, there will be a small increase in the Agency GS average grade.

We plan no changes in the way we competitively rank, assign and promote our people as a result of the change in our position average grade. The change is intended only to more accurately portray the way in which we have been managing our position resources for some time, and to maintain our flexibility to respond to new requirements placed on us in the most expeditious and efficient manner.

Daniel A. Childs, Jr.
Comptroller

Sanitized Copy Approved for Release 2011/03/25 : CIA-RDP88G00186R000400390014-5

DATE 95-1619

DS&T-405-85

15 MAY 1985

MEMORANDUM FOR: Executive Director

VIA: Director of Personnel

FROM: R. E. Hineman
Deputy Director for Science and Technology

SUBJECT: Position Average Grade and Deferred Allocations

REFERENCE: Memo for DD's from D/Pers, dtd 11 April 1985
Subject: Agency Position Average Grade and
Deferred Allocations

1. We have carefully reviewed the problem of position average grade and deferred allocations in the DS&T, have consulted with Office of Personnel and Comptroller staff members and have discussed the matter with our Office Directors. Based on these discussions, I have several general observations:

A. We understand and fully accept the premise that the Agency and this Directorate operate under externally imposed constraints on resources, both money and people. Once we receive an allocation of positions from the Comptroller, we seek OP's help to put the positions on the books at appropriate grades.

B. In managing our promotions, we recognize the need to match people grades with position levels. There is no "free lunch," and our people understand that there must be headroom for promotions.

C. The foregoing having been said, there is a perception among our senior managers that some of our constraints are self-imposed and, while well intended, may be hindering our efforts to deal with constantly changing but ever increasing mission requirements.



D. Our first reaction to reference memorandum is to believe that it will become more difficult to put new positions on the books and that morale problems may arise over the prospects for promotion. The latter situation is of overriding concern. Even if we are able to work out problems in our existing procedures, we have raised the specter of headroom problems. Accurate or not, there now is a perception among our employees that there is a problem. At a time when we are seeking excellence and exhorting our people to work harder and more imaginatively, we need to assure them that our personnel structure will permit them to develop and advance according to their demonstrated abilities.

2. In response to the specific points raised in reference memorandum, I recommend the following :

A. That enough points be allocated to DS&T in FY-85 to be placed on deferred allocations to the extent that the negative headroom now existing is rectified. (We reject the policy implied in paragraph 4 of reference that points will be allocated only as a result of formal position management surveys.)

B. That in FY-86 enough points be allocated to DS&T to rectify the remainder of the deferred allocation positions. Some 1,140 points, less the number provided in FY-85, will be required to accomplish this objective.

C. That steps be taken to ensure that the FY-87 budget reflects as accurately as possible the grades of positions that will be needed to support the mission of this Directorate and the other Directorates so that a realistic average grade may be determined for the Agency.

3. In my view, it is absolutely necessary that the deferred allocation positions be put on the staffing complement as quickly as possible so that our Career Service Grade Authorization will reflect our true available headroom. It is understood that it will then be my responsibility and that of my Office Directors to live within whatever constraints develop, such as:

DS&T-405-85
Page 2

A. Having to provide offsets for future upgrades;

B. Ensuring that staffing complements are as correct as possible so that base figures relating to position grades used in the budget process will reflect reality;

C. Restricting promotions at certain grade levels when headroom is limited.

4. Because of the missions this Directorate has been asked to perform, we require highly educated, greatly sought after talent which demands a high price. We can no longer operate with a grade structure, and thus a Career Service Grade Authorization, that does not reflect the levels already confirmed by the Office of Personnel as justified. It is time for the Agency to take a strong stand on this issue and mandate an average grade within which we can all operate effectively.

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R. E. Hineman